

FISCAL NOTE

SB 405 - HB 1082

March 3, 1997

SUMMARY OF BILL: Requires that student dropout rates, as well as suspension and expulsion rates, be organized by schools and local education agencies (LEAs), and subdivided by gender and race. Provides that when in any LEA the African-American student dropout rate shows a variance of more than 5% from the overall student dropout rates and, if such LEA has more than 100 African-American students, then the LEA must develop and implement a reasonable plan of action for reducing the variance to less than 5%, and must file the plan with the Commissioner of Education. The LEA must also file a progress report by September 30 each year concerning implementation of the plan.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Not Significant
Increase Local Govt. Expenditures* - Exceeds \$100,000

The Department of Education currently collects only dropout and suspension/expulsion data by LEA and not by school. Gender and race data is collected for dropout reports, but not for suspension/expulsion reports; therefore, some data base changes would be required but is estimated to be not significant.

This estimate assumes local government expenditures will increase due to the development and implementation of a plan to reduce the African-American student dropout rate. Such increase will depend upon the number of LEAs which will be affected and the resources necessary to implement such a plan to reduce the variance. The amount of increase is estimated to exceed \$100,000 statewide.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director